

Attachment 2 – EPA February Response Letter to Linnton Plywood Association Offer

Please provide answers and documentation requested below and sign the Declaration:

a. Federal Tax Returns True, complete and signed copies of the last two years federal tax returns were filed.

b. Annual Financial Statements True and complete copies to include but not limited to an Income Statement, Balance Sheet, Cash Flow Statement and Expense Statement for the past two calendar years.

In the first instance, annual Financial Statements should be those completed by an outside CPA. In order of preference, this would be an audit, a review, or a compilation - and includes all attached notes. If an outside CPA does not prepare these statements, then company generated annual financial statements should be provided. In the event that final financial statements are not yet ready for a just completed fiscal year, then provide a draft copy.

c. Litigation Provide a statement with relevant details as to whether the company currently is, or anticipates being a party to, any litigation which has not been noted in the most recent financial statement and which could impact the company's financial situation.

d. Financial Settlements Provide a statement with relevant details as to whether the company currently is, or anticipates receiving or paying, a financial settlement which has not been noted in the most recent financial statement.

e. Credit

(1) Does the company have any lines of credit which have not been mentioned in the most recent financial statement? If the answer is 'Yes', indicate with which financial institution(s) or lender(s), the specific terms and conditions of that line of credit and the current financial status.

(2) Has the company applied for and been denied credit during the review period? If the answer is 'Yes', provide a statement containing details of that credit request and denial (i.e. date applied for, amount, name of financial institution/lender, date denied, etc.). Include a copy of the letter of denial from that financial institution/lender.

f. Insurance

i. Please provide complete copies of the confirmed liability insurance policies discussed in the October 2, 2009 letter to EPA. If complete copies for every year are not available, provide copies for the years available.

ii. Please provide copies of all evidence LPA has regarding the unconfirmed insurance policies discussed in the October 2, 2009 letter. This request is seeking all information, documents and/or correspondence LPA possesses that would indicate the existence of such policies (check stubs, invoices, etc.) and the coverage and other terms and conditions of the policies (correspondence between insured and the insurance company).

iii. If not provided in response to subpart ii. above, please provide copies of all correspondence between LPA and the insurance company(ies) regarding insurance coverage and the terms and conditions of such liability insurance policies, including any Reservation of Rights and agreement to defend LPA. Please include any information or communications that substantiates the claim that the liability insurance policies for all 19 years are "wasting policies."

iv. Did LPA have any excess insurance in addition to the primary policies that may provide coverage for property damage or other costs being incurred in relation to the Portland Harbor Superfund Site? If so, please describe all such excess insurance and provide copies of all such policies.

v. What type and amount of liability insurance did LPA have prior to 1966, and does LPA have any evidence or other information regarding the terms and conditions of such insurance policies? If so, please provide copies.

vi. Please describe what the \$400,000 of liability insurance coverage was paid for.

vii. Was LPA ever a third-party insured on liability insurance of a lessee or other authorized company or person operating on LPA's property? If so, please describe such insurance policy and provide copies.

g. Settlement Costs Please provide details of the major items constituting the \$600,000 of liabilities and the estimated \$600,000 closing costs that will be paid from the property sale proceeds.

h. Share Redemption and Retains Please provide the breakdown between the amount of stock or equity redemption and the Retains and any other information that may help explain and support the \$3.2 Million Retains amount. If the amounts of Equity redemption and Retains is different than that shown on the most recent financial statements or tax returns (items a. and b. above), please explain the differences. Please provide record evidence that supports the company owes \$3.2 Million in Retains to its members.

i. Additional Information The EPA encourages the company to provide any additional information which may be relevant to the company's financial status and ability to pay response costs related to the Portland Harbor Superfund Site. Also, the EPA may request additional information to clarify issues raised by the above requested documents.

DECLARATION

I declare under penalty of perjury that I am authorized to respond on behalf of Respondent and that the foregoing is complete, true, and correct.

Executed on _____, 200____.

Signature

Type or Print Name

Title

Mailing Address: